

Better information for house purchasers

The Scottish Government wishes to see the whole of Scotland mapped and on the Land Register by 2024. This is an ambitious target, but the benefits that it will bring are considerable.

In the main, it will help to portray Scotland as a modern economy and as an excellent place to do business. Completing the Land Register will, for the first time, provide a clear understanding of who owns land and property. It will also enable citizens to obtain a much better understanding of boundaries with adjoining proprietors etc. Countries from across the world are currently working on similar projects. We cannot afford to lag behind. But is this aspiration radical enough?

The opportunity

Most countries that are upgrading the registration processes are taking the opportunity to go a step further and fully digitise all information on land and property. A recent example is the New Zealand Land Information Service: www.linz.govt.nz

At present in Scotland and the rest of the United Kingdom, purchasers, lenders and others interested in property and the pertinents thereof have to search a wide range of databases and other sources in order to assemble a full assessment of the background of a particular property. This is because the information is held in a number of different silos– in public and private ownership. Unfortunately, the result is that many purchasers do not find out what may be

about to happen in an adjoining property which might have an adverse effect on the property about to be purchased. This is because searches instructed during the sale/purchase process are generally focused only on the property being bought or sold. That can be damaging. There are ways to get round the deficiencies in the current system but why should the system not be more transparent – and cheaper – with less risk of adverse consequences?

The Home Report and Property Questionnaire have had their critics but they have had a positive effect overall when looked at from the perspective of the house buying public. Citizens now have more information on properties in which they are interested which therefore allows them to make an informed decision as to a potential purchase. More can be done however and we, in Scotland, are not far away from being able to achieve that objective. This is because of projects such as the Address Database project: www.onescotlandgazetteer.org.uk - which have focused on each property having a Unique Property Reference Number in order to better identify it and thus enable relevant information to be more easily collated. This has established a base level on which a modern digital database of information on Scotland's land and property can be built.

There is a significant opportunity for a world-leading digital information database covering all aspects of land ownership to be created in Scotland building on the good work already done by Registers of Scotland, local authorities and the Ordnance Survey.

Around 15 years ago, an attempt was made to do just this when a group of interested organisations developed a prototype of a Scottish land information service (“ScotLIS”). ScotLIS was a project which explored the possibilities and opportunities of developing a 'one-stop shop' with easy and affordable access to a wide range of computer-based information about land and property. This initiative did not progress however due largely to the available technology at the time not being sophisticated enough. This is however not the case now.

In Norway, the government have gone down the fully-digitised one-search route and all relevant information is now held on a national database called Infoland: www.infoland.no Norway, a country of five million people, was ranked 6th in the World Bank’s ‘Ease of Doing Business 2015’ survey, two ahead of the UK. However, when matched to the ‘Registering property’ index, Norway is ranked 5th while the UK sits at a lowly 68th: <http://www.doingbusiness.org/rankings>

Most of Norway’s municipalities have transferred information that they hold on properties in the region to Infoland where it has been digitised and made available to the public, banks and other interested parties. A basket of searches that are required for house purchase transactions can be purchased from Infoland rather than in a number of different purchases.

This means that prospective purchasers and lenders have better information available to them. The net funds raised from the sale of search reports due is remitted to the Municipalities and other data owners.

Municipalities have seen an increase in their net receipts from the provision of such information over the years since the scheme was launched. This demonstrates what can be done in Scotland.

How is this achieved?

The Government’s Improvement Service has undertaken a lot of work in this area already. Likewise, Registers of Scotland is committed to a digital roadmap as part of Digital First: www.digitalscotland.org - so that the information that it holds can be accessed more easily. Certain local authorities are already working on similar projects with Planning Portals and the like and the INSPIRE Directive also imposes obligations with regard to access to data which local authorities have to comply with. The opportunity is for us now to co-ordinate these efforts and collaborate with the private sector, lenders and professional member organisations involved in the house purchase/sale process. That contribution is currently gathered in the form of Unifi Scotland – www.unifiscotland.com Unifi is a form of Think Tank whose members meet to consider ways in which the present system can be improved. It is suggested that an opportunity has arisen for public and private organisations to work together to provide a national solution to improving Scotland’s property system.

The benefits

The benefits of a single digital database of information on land and property in Scotland are considerable – not least because it should make the sale/purchase/lending process more accurate and (it is to be hoped) cheaper on a per transaction basis. These benefits alone, it is suggested, are sufficient for this aspiration to be investigated further in the hope that the vision can become a reality.

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